

CALIFORNIA COASTAL COMMISSION

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July 21, 2005

To: Commissioners and Interested Parties

From: Peter Douglas, Executive Director
Alison J. Dettmer, Manager, Energy and Ocean Resources Unit

Re: **36 OCS Oil and Gas Lease Suspensions**

Attached please find the first packet of staff reports and other information related to the submittal by the US Department of the Interior Minerals Management Service (“MMS”) of 10 consistency determinations. These consistency determinations relate to requests for lease extensions by holders of 36 undeveloped OCS leases located in the Northern Santa Maria Basin and Santa Barbara Channel areas. MMS proposes to approve each requested lease extension (called a “lease suspension”), to forestall the expiration of the leases that would otherwise occur. In the case of *State of California v Norton* the U.S. District Court found that granting of a lease suspension by MMS is a federal agency activity subject to the consistency review requirements of section 307(c) of the federal Coastal Zone Management Act. The U.S. Court of Appeals for the Ninth Circuit later affirmed this decision.

The 36 leases are organized into nine “units” and one lease not within a unit. For the purpose of preparing its recommendations to the Commission, the Commission staff has grouped the 10 consistency determinations into four geographical groups, producing staff reports for the following units or grouping of units:

- Lion Rock, Point Sal, Santa Maria, and Purisma Point Units, and Lease 409
- Bonito, Rocky Point and Sword Units
- Gato Canyon Unit
- Cavern Point Unit

The attached packet contains: (1) a staff report for the Bonito, Rocky Point and Sword Units; (2) a staff report for the Cavern Point Unit; (3) appendices for all reports; and (4) correspondence received to date.

The other two staff reports -- one for the Lion Rock, Point Sal, Santa Maria, and Purisma Point Units, and Lease 409, and the second for the Gato Canyon Unit -- will be released in the second mailing, in about a week.